

105TH CONGRESS  
1ST SESSION

# S. 1502

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IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 9, 1997

Received

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## AN ACT

Entitled the “District of Columbia Student Opportunity  
Scholarship Act of 1997”.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SEC. 1. SHORT TITLE; FINDINGS; PRECEDENTS.**

4       (a) **SHORT TITLE.**—This Act may be cited as the  
5       “District of Columbia Student Opportunity Scholarship  
6       Act of 1997”.

7       (b) **FINDINGS.**—Congress makes the following find-  
8       ings:

9               (1) Public education in the District of Columbia  
10       is in a crisis, as evidenced by the following:

11               (A) The District of Columbia schools have  
12       the lowest average of any school system in the

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1 Nation on the National Assessment of Edu-  
2 cation Progress.

3 (B) 72 percent of fourth graders in the  
4 District of Columbia tested below basic pro-  
5 ficiency on the National Assessment of Edu-  
6 cation Progress in 1994.

7 (C) Since 1991, there has been a net de-  
8 cline in the reading skills of District of Colum-  
9 bia students as measured in scores on the  
10 standardized Comprehensive Test of Basic  
11 Skills.

12 (D) At least 40 percent of District of Co-  
13 lumbia students drop out of or leave the school  
14 system before graduation.

15 (E) The National Education Goals Panel  
16 reported in 1996 that both students and teach-  
17 ers in District of Columbia schools are sub-  
18 jected to levels of violence that are twice the na-  
19 tional average.

20 (F) Nearly two-thirds of District of Colum-  
21 bia teachers reported that violent student be-  
22 havior is a serious impediment to teaching.

23 (G) Many of the District of Columbia's  
24 152 schools are in a state of terrible disrepair,

1 including leaking roofs, bitterly cold classrooms,  
2 and numerous fire code violations.

3 (2) Significant improvements in the education  
4 of educationally deprived children in the District of  
5 Columbia can be accomplished by—

6 (A) increasing educational opportunities  
7 for the children by expanding the range of edu-  
8 cational choices that best meet the needs of the  
9 children;

10 (B) fostering diversity and competition  
11 among school programs for the children;

12 (C) providing the families of the children  
13 more of the educational choices already avail-  
14 able to affluent families; and

15 (D) enhancing the overall quality of edu-  
16 cation in the District of Columbia by increasing  
17 parental involvement in the direction of the  
18 education of the children.

19 (3) The 350 private schools in the District of  
20 Columbia and the surrounding area offer a more  
21 safe and stable learning environment than many of  
22 the public schools.

23 (4) Costs are often much lower in private  
24 schools than corresponding costs in public schools.

1           (5) Not all children are alike and therefore  
2           there is no one school or program that fits the needs  
3           of all children.

4           (6) The formation of sound values and moral  
5           character is crucial to helping young people escape  
6           from lives of poverty, family break-up, drug abuse,  
7           crime, and school failure.

8           (7) In addition to offering knowledge and skills,  
9           education should contribute positively to the forma-  
10          tion of the internal norms and values which are vital  
11          to a child's success in life and to the well-being of  
12          society.

13          (8) Schools should help to provide young people  
14          with a sound moral foundation which is consistent  
15          with the values of their parents. To find such a  
16          school, parents need a full range of choice to deter-  
17          mine where their children can best be educated.

18          (c) PRECEDENTS.—The United States Supreme  
19          Court has determined that programs giving parents choice  
20          and increased input in their children's education, includ-  
21          ing the choice of a religious education, do not violate the  
22          Constitution. The Supreme Court has held that as long  
23          as the beneficiary decides where education funds will be  
24          spent on such individual's behalf, public funds can be used  
25          for education in a religious institution because the public

1 entity has neither advanced nor hindered a particular reli-  
2 gion and therefore has not violated the establishment  
3 clause of the first amendment to the Constitution. Su-  
4 preme Court precedents include—

5 (1) *Wisconsin v. Yoder*, 406 U.S. 205 (1972);  
6 *Pierce v. Society of Sisters*, 268 U.S. 510 (1925);  
7 and *Meyer v. Nebraska*, 262 U.S. 390 (1923) which  
8 held that parents have the primary role in and are  
9 the primary decision makers in all areas regarding  
10 the education and upbringing of their children;

11 (2) *Mueller v. Allen*, 463 U.S. 388 (1983)  
12 which declared a Minnesota tax deduction program  
13 that provided State income tax benefits for edu-  
14 cational expenditures by parents, including tuition in  
15 religiously affiliated schools, does not violate the  
16 Constitution;

17 (3) *Witters v. Department of Services for the*  
18 *Blind*, 474 U.S. 481 (1986) in which the Supreme  
19 Court ruled unanimously that public funds for the  
20 vocational training of the blind could be used at a  
21 Bible college for ministry training; and

22 (4) *Zobrest v. Catalina Foothills School Dis-*  
23 *trict*, 509 U.S. 1 (1993) which held that a deaf child  
24 could receive an interpreter, paid for by the public,  
25 in a private religiously affiliated school under the In-

1       dividual with Disabilities Education Act (20 U.S.C.  
 2       1400 et seq.). The case held that providing an inter-  
 3       preter in a religiously affiliated school did not violate  
 4       the establishment clause of the first amendment of  
 5       the Constitution.

6   **SEC. 2. DEFINITIONS.**

7       As used in this Act—

8               (1) the term “Board” means the Board of Di-  
 9       rectors of the Corporation established under section  
 10      3(b)(1);

11              (2) the term “Corporation” means the District  
 12      of Columbia Scholarship Corporation established  
 13      under section 3(a);

14              (3) the term “eligible institution”—

15                      (A) in the case of an eligible institution  
 16                      serving a student who receives a tuition scholar-  
 17                      ship under section 4(c)(1), means a public, pri-  
 18                      vate, or independent elementary or secondary  
 19                      school; and

20                      (B) in the case of an eligible institution  
 21                      serving a student who receives an enhanced  
 22                      achievement scholarship under section 4(c)(2),  
 23                      means an elementary or secondary school, or an  
 24                      entity that provides services to a student en-  
 25                      rolled in an elementary or secondary school to

1 enhance such student's achievement through in-  
 2 struction described in section 4(c)(2);

3 (4) the term "parent" includes a legal guardian  
 4 or other person standing in loco parentis; and

5 (5) the term "poverty line" means the income  
 6 official poverty line (as defined by the Office of Man-  
 7 agement and Budget, and revised annually in ac-  
 8 cordance with section 673(2) of the Community  
 9 Services Block Grant Act (42 U.S.C. 9902(2)) appli-  
 10 cable to a family of the size involved.

11 **SEC. 3. DISTRICT OF COLUMBIA SCHOLARSHIP CORPORA-**  
 12 **TION.**

13 (a) GENERAL REQUIREMENTS.—

14 (1) IN GENERAL.—There is authorized to be es-  
 15 tablished a private, nonprofit corporation, to be  
 16 known as the "District of Columbia Scholarship  
 17 Corporation", which is neither an agency nor estab-  
 18 lishment of the United States Government or the  
 19 District of Columbia Government.

20 (2) DUTIES.—The Corporation shall have the  
 21 responsibility and authority to administer, publicize,  
 22 and evaluate the scholarship program in accordance  
 23 with this Act, and to determine student and school  
 24 eligibility for participation in such program.

1           (3) CONSULTATION.—The Corporation shall ex-  
2       ercise its authority—

3           (A) in a manner consistent with maximiz-  
4       ing educational opportunities for the maximum  
5       number of interested families; and

6           (B) in consultation with the District of Co-  
7       lumbia Board of Education or entity exercising  
8       administrative jurisdiction over the District of  
9       Columbia Public Schools, the Superintendent of  
10      the District of Columbia Public Schools, and  
11      other school scholarship programs in the Dis-  
12      trict of Columbia.

13          (4) APPLICATION OF PROVISIONS.—The Cor-  
14      poration shall be subject to the provisions of this  
15      Act, and, to the extent consistent with this Act, to  
16      the District of Columbia Nonprofit Corporation Act  
17      (D.C. Code, sec. 29–501 et seq.).

18          (5) RESIDENCE.—The Corporation shall have  
19      its place of business in the District of Columbia and  
20      shall be considered, for purposes of venue in civil ac-  
21      tions, to be a resident of the District of Columbia.

22          (6) FUND.—There is established in the Treas-  
23      ury a fund that shall be known as the District of  
24      Columbia Scholarship Fund, to be administered by  
25      the Secretary of the Treasury.



1           (7) DISBURSEMENT.—The Secretary of the  
2       Treasury shall make available and disburse to the  
3       Corporation, before October 15 of each fiscal year or  
4       not later than 15 days after the date of enactment  
5       of an Act making appropriations for the District of  
6       Columbia for such year, whichever occurs later, such  
7       funds as have been appropriated to the District of  
8       Columbia Scholarship Fund for the fiscal year in  
9       which such disbursement is made.

10          (8) AVAILABILITY.—Funds authorized to be ap-  
11       propriated under this Act shall remain available  
12       until expended.

13          (9) USES.—Funds authorized to be appro-  
14       priated under this Act shall be used by the Corpora-  
15       tion in a prudent and financially responsible man-  
16       ner, solely for scholarships, contracts, and adminis-  
17       trative costs.

18          (10) AUTHORIZATION.—

19                (A) IN GENERAL.—There are authorized to  
20       be appropriated to the District of Columbia  
21       Scholarship Fund—

22                       (i) \$7,000,000 for fiscal year 1998;

23                       (ii) \$8,000,000 for fiscal year 1999;

24                       and

1 (iii) \$10,000,000 for each of fiscal  
2 years 2000 through 2002.

3 (B) LIMITATION.—Not more than 7.5 per-  
4 cent of the amount appropriated to carry out  
5 this Act for any fiscal year may be used by the  
6 Corporation for salaries and administrative  
7 costs.

8 (b) ORGANIZATION AND MANAGEMENT; BOARD OF  
9 DIRECTORS.—

10 (1) BOARD OF DIRECTORS; MEMBERSHIP.—

11 (A) IN GENERAL.—The Corporation shall  
12 have a Board of Directors (referred to in this  
13 Act as the “Board”), comprised of 7 members  
14 with 6 members of the Board appointed by the  
15 President not later than 30 days after receipt  
16 of nominations from the Speaker of the House  
17 of Representatives and the Majority Leader of  
18 the Senate.

19 (B) HOUSE NOMINATIONS.—The President  
20 shall appoint 3 of the members from a list of  
21 9 individuals nominated by the Speaker of the  
22 House of Representatives in consultation with  
23 the Minority Leader of the House of Represent-  
24 atives.

1           (C) SENATE NOMINATIONS.—The Presi-  
2           dent shall appoint 3 members from a list of 9  
3           individuals nominated by the Majority Leader  
4           of the Senate in consultation with the Minority  
5           Leader of the Senate.

6           (D) DEADLINE.—The Speaker of the  
7           House of Representatives and Majority Leader  
8           of the Senate shall submit their nominations to  
9           the President not later than 30 days after the  
10          date of the enactment of this Act.

11          (E) APPOINTEE OF MAYOR.—The Mayor  
12          shall appoint 1 member of the Board not later  
13          than 60 days after the date of the enactment of  
14          this Act.

15          (F) POSSIBLE INTERIM MEMBERS.—If the  
16          President does not appoint the 6 members of  
17          the Board in the 30-day period described in  
18          subparagraph (A), then the Speaker of the  
19          House of Representatives and the Majority  
20          Leader of the Senate shall each appoint 2 mem-  
21          bers of the Board, and the Minority Leader of  
22          the House of Representatives and the Minority  
23          Leader of the Senate shall each appoint 1 mem-  
24          ber of the Board, from among the individuals  
25          nominated pursuant to subparagraphs (A) and

1 (B), as the case may be. The appointees under  
2 the preceding sentence together with the ap-  
3 pointee of the Mayor, shall serve as an interim  
4 Board with all the powers and other duties of  
5 the Board described in this Act, until the Presi-  
6 dent makes the appointments as described in  
7 this subsection.

8 (2) POWERS.—All powers of the Corporation  
9 shall vest in and be exercised under the authority of  
10 the Board.

11 (3) ELECTIONS.—Members of the Board annu-  
12 ally shall elect 1 of the members of the Board to be  
13 the Chairperson of the Board.

14 (4) RESIDENCY.—All members appointed to the  
15 Board shall be residents of the District of Columbia  
16 at the time of appointment and while serving on the  
17 Board.

18 (5) NONEMPLOYEE.—No member of the Board  
19 may be an employee of the United States Govern-  
20 ment or the District of Columbia Government when  
21 appointed to or during tenure on the Board, unless  
22 the individual is on a leave of absence from such a  
23 position while serving on the Board.

24 (6) INCORPORATION.—The members of the ini-  
25 tial Board shall serve as incorporators and shall take

1       whatever steps are necessary to establish the Cor-  
2       poration under the District of Columbia Nonprofit  
3       Corporation Act (D.C. Code, sec. 29–501 et seq.).

4           (7) GENERAL TERM.—The term of office of  
5       each member of the Board shall be 5 years, except  
6       that any member appointed to fill a vacancy occur-  
7       ring prior to the expiration of the term for which the  
8       predecessor was appointed shall be appointed for the  
9       remainder of such term.

10          (8) CONSECUTIVE TERM.—No member of the  
11       Board shall be eligible to serve in excess of 2 con-  
12       secutive terms of 5 years each. A partial term shall  
13       be considered as 1 full term. Any vacancy on the  
14       Board shall not affect the Board’s power, but shall  
15       be filled in a manner consistent with this Act.

16          (9) NO BENEFIT.—No part of the income or as-  
17       sets of the Corporation shall inure to the benefit of  
18       any Director, officer, or employee of the Corpora-  
19       tion, except as salary or reasonable compensation for  
20       services.

21          (10) POLITICAL ACTIVITY.—The Corporation  
22       may not contribute to or otherwise support any po-  
23       litical party or candidate for elective public office.

24          (11) NO OFFICERS OR EMPLOYEES.—The mem-  
25       bers of the Board shall not, by reason of such mem-

1       bership, be considered to be officers or employees of  
2       the United States Government or of the District of  
3       Columbia Government.

4           (12) STIPENDS.—The members of the Board,  
5       while attending meetings of the Board or while en-  
6       gaged in duties related to such meetings or other ac-  
7       tivities of the Board pursuant to this Act, shall be  
8       provided a stipend. Such stipend shall be at the rate  
9       of \$150 per day for which the member of the Board  
10      is officially recorded as having worked, except that  
11      no member may be paid a total stipend amount in  
12      any calendar year in excess of \$5,000.

13      (c) OFFICERS AND STAFF.—

14           (1) EXECUTIVE DIRECTOR.—The Corporation  
15      shall have an Executive Director, and such other  
16      staff, as may be appointed by the Board for terms  
17      and at rates of compensation, not to exceed level  
18      EG-16 of the Educational Service of the District of  
19      Columbia, to be fixed by the Board.

20           (2) STAFF.—With the approval of the Board,  
21      the Executive Director may appoint and fix the sal-  
22      ary of such additional personnel as the Executive  
23      Director considers appropriate.

24           (3) ANNUAL RATE.—No staff of the Corpora-  
25      tion may be compensated by the Corporation at an

1       annual rate of pay greater than the annual rate of  
2       pay of the Executive Director.

3           (4) SERVICE.—All officers and employees of the  
4       Corporation shall serve at the pleasure of the Board.

5           (5) QUALIFICATION.—No political test or quali-  
6       fication may be used in selecting, appointing, pro-  
7       moting, or taking other personnel actions with re-  
8       spect to officers, agents, or employees of the Cor-  
9       poration.

10       (d) POWERS OF THE CORPORATION.—

11           (1) GENERALLY.—The Corporation is author-  
12       ized to obtain grants from, and make contracts with,  
13       individuals and with private, State, and Federal  
14       agencies, organizations, and institutions.

15           (2) HIRING AUTHORITY.—The Corporation may  
16       hire, or accept the voluntary services of, consultants,  
17       experts, advisory boards, and panels to aid the Cor-  
18       poration in carrying out this Act.

19       (e) FINANCIAL MANAGEMENT AND RECORDS.—

20           (1) AUDITS.—The financial statements of the  
21       Corporation shall be—

22                (A) maintained in accordance with gen-  
23       erally accepted accounting principles for non-  
24       profit corporations; and

1 (B) audited annually by independent cer-  
2 tified public accountants.

3 (2) REPORT.—The report for each such audit  
4 shall be included in the annual report to Congress  
5 required by section 11(c).

6 (f) ADMINISTRATIVE RESPONSIBILITIES.—

7 (1) SCHOLARSHIP APPLICATION SCHEDULE AND  
8 PROCEDURES.—Not later than 30 days after the ini-  
9 tial Board is appointed and the first Executive Di-  
10 rector of the Corporation is hired under this Act, the  
11 Corporation shall implement a schedule and proce-  
12 dures for processing applications for, and awarding,  
13 student scholarships under this Act. The schedule  
14 and procedures shall include establishing a list of  
15 certified eligible institutions, distributing scholarship  
16 information to parents and the general public (in-  
17 cluding through a newspaper of general circulation),  
18 and establishing deadlines for steps in the scholar-  
19 ship application and award process.

20 (2) INSTITUTIONAL APPLICATIONS AND ELIGI-  
21 BILITY.—

22 (A) IN GENERAL.—An eligible institution  
23 that desires to participate in the scholarship  
24 program under this Act shall file an application  
25 with the Corporation for certification for par-



1 participation in the scholarship program under this  
2 Act that shall—

3 (i) demonstrate that the eligible insti-  
4 tution has operated with not less than 25  
5 students during the 3 years preceding the  
6 year for which the determination is made  
7 unless the eligible institution is applying  
8 for certification as a new eligible institu-  
9 tion under subparagraph (C);

10 (ii) contain an assurance that the eli-  
11 gible institution will comply with all appli-  
12 cable requirements of this Act;

13 (iii) contain an annual statement of  
14 the eligible institution's budget; and

15 (iv) describe the eligible institution's  
16 proposed program, including personnel  
17 qualifications and fees.

18 (B) CERTIFICATION.—

19 (i) IN GENERAL.—Except as provided  
20 in subparagraph (C), not later than 60  
21 days after receipt of an application in ac-  
22 cordance with subparagraph (A), the Cor-  
23 poration shall certify an eligible institution  
24 to participate in the scholarship program  
25 under this Act.

(ii) CONTINUATION.—An eligible institution's certification to participate in the scholarship program shall continue unless such eligible institution's certification is revoked in accordance with subparagraph (D).

(C) NEW ELIGIBLE INSTITUTION.—

(i) IN GENERAL.—An eligible institution that did not operate with at least 25 students in the 3 years preceding the year for which the determination is made may apply for a 1-year provisional certification to participate in the scholarship program under this Act for a single year by providing to the Corporation not later than July 1 of the year preceding the year for which the determination is made—

(I) a list of the eligible institution's board of directors;

(II) letters of support from not less than 10 members of the community served by such eligible institution;

(III) a business plan;

(IV) an intended course of study;

1 (V) assurances that the eligible  
2 institution will begin operations with  
3 not less than 25 students;

4 (VI) assurances that the eligible  
5 institution will comply with all appli-  
6 cable requirements of this Act; and

7 (VII) a statement that satisfies  
8 the requirements of clauses (ii) and  
9 (iv) of subparagraph (A).

10 (ii) CERTIFICATION.—Not later than  
11 60 days after the date of receipt of an ap-  
12 plication described in clause (i), the Cor-  
13 poration shall certify in writing the eligible  
14 institution's provisional certification to  
15 participate in the scholarship program  
16 under this Act unless the Corporation de-  
17 termines that good cause exists to deny  
18 certification.

19 (iii) RENEWAL OF PROVISIONAL CER-  
20 TIFICATION.—After receipt of an applica-  
21 tion under clause (i) from an eligible insti-  
22 tution that includes a statement of the eli-  
23 gible institution's budget completed not  
24 earlier than 12 months before the date  
25 such application is filed, the Corporation

1 shall renew an eligible institution's provi-  
2 sional certification for the second and third  
3 years of the school's participation in the  
4 scholarship program under this Act unless  
5 the Corporation finds—

6 (I) good cause to deny the re-  
7 newal, including a finding of a pattern  
8 of violation of requirements described  
9 in paragraph (3)(A); or

10 (II) consistent failure of 25 per-  
11 cent or more of the students receiving  
12 scholarships under this Act and at-  
13 tending such school to make appro-  
14 priate progress (as determined by the  
15 Corporation) in academic achieve-  
16 ment.

17 (iv) DENIAL OF CERTIFICATION.—If  
18 provisional certification or renewal of pro-  
19 visional certification under this subsection  
20 is denied, then the Corporation shall pro-  
21 vide a written explanation to the eligible  
22 institution of the reasons for such denial.

23 (D) REVOCATION OF ELIGIBILITY.—

24 (i) IN GENERAL.—The Corporation,  
25 after notice and hearing, may revoke an el-

1 eligible institution's certification to partici-  
2 pate in the scholarship program under this  
3 Act for a year succeeding the year for  
4 which the determination is made for—

5 (I) good cause, including a find-  
6 ing of a pattern of violation of pro-  
7 gram requirements described in para-  
8 graph (3)(A); or

9 (II) consistent failure of 25 per-  
10 cent or more of the students receiving  
11 scholarships under this Act and at-  
12 tending such school to make appro-  
13 priate progress (as determined by the  
14 Corporation) in academic achieve-  
15 ment.

16 (ii) EXPLANATION.—If the certifi-  
17 cation of an eligible institution is revoked,  
18 the Corporation shall provide a written ex-  
19 planation of the Corporation's decision to  
20 such eligible institution and require a pro  
21 rata refund of the proceeds of the scholar-  
22 ship funds received under this Act.

23 (3) PARTICIPATION REQUIREMENTS FOR ELIGI-  
24 BLE INSTITUTIONS.—

1 (A) REQUIREMENTS.—Each eligible insti-  
2 tution participating in the scholarship program  
3 under this Act shall—

4 (i) provide to the Corporation not  
5 later than June 30 of each year the most  
6 recent annual statement of the eligible in-  
7 stitution’s budget; and

8 (ii) charge a student that receives a  
9 scholarship under this Act not more than  
10 the cost of tuition and mandatory fees for,  
11 and transportation to attend, such eligible  
12 institution as other students who are resi-  
13 dents of the District of Columbia and en-  
14 rolled in such eligible institution.

15 (B) COMPLIANCE.—The Corporation may  
16 require documentation of compliance with the  
17 requirements of subparagraph (A), but neither  
18 the Corporation nor any governmental entity  
19 may impose requirements upon an eligible insti-  
20 tution as a condition for participation in the  
21 scholarship program under this Act, other than  
22 requirements established under this Act.

23 **SEC. 4. SCHOLARSHIPS AUTHORIZED.**

24 (a) ELIGIBLE STUDENTS.—The Corporation is au-  
25 thorized to award tuition scholarships under subsection

1 (c)(1) and enhanced achievement scholarships under sub-  
 2 section (c)(2) to students in kindergarten through  
 3 grade 12—

4 (1) who are residents of the District of Colum-  
 5 bia; and

6 (2) whose family income does not exceed 185  
 7 percent of the poverty line.

8 (b) SCHOLARSHIP PRIORITY.—

9 (1) FIRST.—The Corporation first shall award  
 10 scholarships to students described in subsection (a)  
 11 who—

12 (A) are enrolled in a District of Columbia  
 13 public school or preparing to enter a District of  
 14 Columbia public kindergarten, except that this  
 15 subparagraph shall apply only for academic  
 16 years 1997–1998, 1998–1999, and 1999–2000;  
 17 or

18 (B) have received a scholarship from the  
 19 Corporation for the academic year preceding  
 20 the academic year for which the scholarship is  
 21 awarded.

22 (2) SECOND.—If funds remain for a fiscal year  
 23 for awarding scholarships after awarding scholar-  
 24 ships under paragraph (1), the Corporation shall  
 25 award scholarships to students who are described in

1 subsection (a), not described in paragraph (1), and  
2 otherwise eligible for a scholarship under this Act.

3 (3) LOTTERY SELECTION.—The Corporation  
4 shall award scholarships to students under this sub-  
5 section using a lottery selection process whenever the  
6 amount made available to carry out this Act for a  
7 fiscal year is insufficient to award a scholarship to  
8 each student who is eligible to receive a scholarship  
9 under this Act for the fiscal year.

10 (c) USE OF SCHOLARSHIP.—

11 (1) TUITION SCHOLARSHIPS.—A tuition schol-  
12 arship may be used for the payment of the cost of  
13 the tuition and mandatory fees for, and transpor-  
14 tation to attend, an eligible institution located within  
15 the geographic boundaries of the District of Colum-  
16 bia; Montgomery County, Maryland; Prince Georges  
17 County, Maryland; Arlington County, Virginia; Alex-  
18 andria City, Virginia; Falls Church City, Virginia;  
19 Fairfax City, Virginia; or Fairfax County, Virginia.

20 (2) ENHANCED ACHIEVEMENT SCHOLARSHIP.—  
21 An enhanced achievement scholarship may be used  
22 only for the payment of the costs of tuition and  
23 mandatory fees for, and transportation to attend, a  
24 program of instruction provided by an eligible insti-  
25 tution which enhances student achievement of the



1 core curriculum and is operated outside of regular  
2 school hours to supplement the regular school pro-  
3 gram.

4 (e) NOT SCHOOL AID.—A scholarship under this Act  
5 shall be considered assistance to the student and shall not  
6 be considered assistance to an eligible institution.

7 **SEC. 5. SCHOLARSHIP AWARDS.**

8 (a) AWARDS.—From the funds made available under  
9 this Act, the Corporation shall award a scholarship to a  
10 student and make scholarship payments in accordance  
11 with section 6.

12 (b) NOTIFICATION.—Each eligible institution that re-  
13 ceives the proceeds of a scholarship payment under sub-  
14 section (a) shall notify the Corporation not later than 10  
15 days after—

16 (1) the date that a student receiving a scholar-  
17 ship under this Act is enrolled, of the name, address,  
18 and grade level of such student;

19 (2) the date of the withdrawal or expulsion of  
20 any student receiving a scholarship under this Act,  
21 of the withdrawal or expulsion; and

22 (3) the date that a student receiving a scholar-  
23 ship under this Act is refused admission, of the rea-  
24 sons for such a refusal.

25 (c) TUITION SCHOLARSHIP.—

1           (1) EQUAL TO OR BELOW POVERTY LINE.—For  
2       a student whose family income is equal to or below  
3       the poverty line, a tuition scholarship may not ex-  
4       ceed the lesser of—

5           (A) the cost of tuition and mandatory fees  
6       for, and transportation to attend, an eligible in-  
7       stitution; or

8           (B) \$3,200 for fiscal year 1998, with such  
9       amount adjusted in proportion to changes in  
10      the Consumer Price Index for all urban con-  
11      sumers published by the Department of Labor  
12      for each of fiscal years 1999 through 2002.

13          (2) ABOVE POVERTY LINE.—For a student  
14      whose family income is greater than the poverty line,  
15      but not more than 185 percent of the poverty line,  
16      a tuition scholarship may not exceed the lesser of—

17           (A) 75 percent of the cost of tuition and  
18      mandatory fees for, and transportation to at-  
19      tend, an eligible institution; or

20           (B) \$2,400 for fiscal year 1998, with such  
21      amount adjusted in proportion to changes in  
22      the Consumer Price Index for all urban con-  
23      sumers published by the Department of Labor  
24      for each of fiscal years 1999 through 2002.

1 (d) ENHANCED ACHIEVEMENT SCHOLARSHIP.—An  
 2 enhanced achievement scholarship may not exceed the  
 3 lesser of—

4 (1) the costs of tuition and mandatory fees for,  
 5 and transportation to attend, a program of instruc-  
 6 tion at an eligible institution; or

7 (2) \$500 for 1998, with such amount adjusted  
 8 in proportion to changes in the Consumer Price  
 9 Index for all urban consumers published by the De-  
 10 partment of Labor for each of fiscal years 1999  
 11 through 2002.

12 **SEC. 6. SCHOLARSHIP PAYMENTS.**

13 (a) PAYMENTS.—The Corporation shall make schol-  
 14 arship payments to the parent of a student awarded a  
 15 scholarship under this Act.

16 (b) DISTRIBUTION OF SCHOLARSHIP FUNDS.—Schol-  
 17 arship funds may be distributed by check, or another form  
 18 of disbursement, issued by the Corporation and made pay-  
 19 able directly to a parent of a student awarded a scholar-  
 20 ship under this Act. The parent may use the scholarship  
 21 funds only for payment of tuition, mandatory fees, and  
 22 transportation costs as described in this Act.

23 (c) PRO RATA AMOUNTS FOR STUDENT WITH-  
 24 DRAWAL.—If a student receiving a scholarship under this  
 25 Act withdraws or is expelled from an eligible institution

1 after the proceeds of a scholarship is paid to the eligible  
 2 institution, then the eligible institution shall refund to the  
 3 Corporation on a pro rata basis the proportion of any such  
 4 proceeds received for the remaining days of the school  
 5 year. Such refund shall occur not later than 30 days after  
 6 the date of the withdrawal or expulsion of the student.

7 **SEC. 7. CIVIL RIGHTS.**

8 (a) IN GENERAL.—An eligible institution participat-  
 9 ing in the scholarship program under this Act shall not  
 10 discriminate on the basis of race, color, national origin,  
 11 or sex in carrying out the provisions of this Act.

12 (b) APPLICABILITY AND CONSTRUCTION WITH RE-  
 13 SPECT TO DISCRIMINATION ON THE BASIS OF SEX.—

14 (1) APPLICABILITY.—With respect to discrimi-  
 15 nation on the basis of sex, subsection (a) shall not  
 16 apply to an eligible institution that is controlled by  
 17 a religious organization if the application of sub-  
 18 section (a) is inconsistent with the religious tenets of  
 19 the eligible institution.

20 (2) CONSTRUCTION.—With respect to discrimi-  
 21 nation on the basis of sex, nothing in subsection (a)  
 22 shall be construed to require any person, or public  
 23 or private entity to provide or pay, or to prohibit any  
 24 such person or entity from providing or paying, for  
 25 any benefit or service, including the use of facilities,

1       related to an abortion. Nothing in the preceding sen-  
 2       tence shall be construed to permit a penalty to be  
 3       imposed on any person or individual because such  
 4       person or individual is seeking or has received any  
 5       benefit or service related to a legal abortion.

6               (3) SINGLE-SEX SCHOOLS, CLASSES, OR ACTIVI-  
 7       TIES.—With respect to discrimination on the basis  
 8       of sex, nothing in subsection (a) shall be construed  
 9       to prevent a parent from choosing, or an eligible in-  
 10      stitution from offering, a single-sex school, class, or  
 11      activity.

12      (c)       REVOCATION.—Notwithstanding       section  
 13   3(f)(2)(D), if the Corporation determines that an eligible  
 14   institution participating in the scholarship program under  
 15   this Act is in violation of subsection (a), then the Corpora-  
 16   tion shall revoke such eligible institution’s certification to  
 17   participate in the program.

18   **SEC. 8. CHILDREN WITH DISABILITIES.**

19       Nothing in this Act shall affect the rights of students,  
 20   or the obligations of the District of Columbia public  
 21   schools, under the Individuals with Disabilities Education  
 22   Act (20 U.S.C. 1400 et seq.).

23   **SEC. 9. RULE OF CONSTRUCTION.**

24       (a) IN GENERAL.—Nothing in this Act shall be con-  
 25   strued to prevent any eligible institution which is operated

1 by, supervised by, controlled by, or connected to, a reli-  
 2 gious organization from employing, admitting, or giving  
 3 preference to, persons of the same religion to the extent  
 4 determined by such institution to promote the religious  
 5 purpose for which the eligible institution is established or  
 6 maintained.

7 (b) SECTARIAN PURPOSES.—Nothing in this Act  
 8 shall be construed to prohibit the use of funds made avail-  
 9 able under this Act for sectarian educational purposes, or  
 10 to require an eligible institution to remove religious art,  
 11 icons, scripture, or other symbols.

12 **SEC. 10. REPORTING REQUIREMENTS.**

13 (a) IN GENERAL.—An eligible institution participat-  
 14 ing in the scholarship program under this Act shall report  
 15 to the Corporation not later than July 30 of each year  
 16 in a manner prescribed by the Corporation, the following  
 17 data:

18 (1) Student achievement in the eligible institu-  
 19 tion's programs.

20 (2) Grade advancement for scholarship stu-  
 21 dents.

22 (3) Disciplinary actions taken with respect to  
 23 scholarship students.

1           (4) Graduation, college admission test scores,  
2           and college admission rates, if applicable for scholar-  
3           ship students.

4           (5) Types and amounts of parental involvement  
5           required for all families of scholarship students.

6           (6) Student attendance for scholarship and  
7           nonscholarship students.

8           (7) General information on curriculum, pro-  
9           grams, facilities, credentials of personnel, and dis-  
10          ciplinary rules at the eligible institution.

11          (8) Number of scholarship students enrolled.

12          (9) Such other information as may be required  
13          by the Corporation for program appraisal.

14          (b) CONFIDENTIALITY.—No personal identifiers may  
15          be used in such report, except that the Corporation may  
16          request such personal identifiers solely for the purpose of  
17          verification.

18   **SEC. 11. PROGRAM APPRAISAL.**

19          (a) STUDY.—Not later than 4 years after the date  
20          of enactment of this Act, the Comptroller General shall  
21          enter into a contract, with an evaluating agency that has  
22          demonstrated experience in conducting evaluations, for an  
23          independent evaluation of the scholarship program under  
24          this Act, including—

1           (1) a comparison of test scores between scholar-  
2       ship students and District of Columbia public school  
3       students of similar backgrounds, taking into account  
4       the students' academic achievement at the time of  
5       the award of their scholarships and the students'  
6       family income level;

7           (2) a comparison of graduation rates between  
8       scholarship students and District of Columbia public  
9       school students of similar backgrounds, taking into  
10      account the students' academic achievement at the  
11      time of the award of their scholarships and the stu-  
12      dents' family income level;

13          (3) the satisfaction of parents of scholarship  
14      students with the scholarship program; and

15          (4) the impact of the scholarship program on  
16      the District of Columbia public schools, including  
17      changes in the public school enrollment, and any im-  
18      provement in the academic performance of the public  
19      schools.

20      (b) PUBLIC REVIEW OF DATA.—All data gathered in  
21      the course of the study described in subsection (a) shall  
22      be made available to the public upon request except that  
23      no personal identifiers shall be made public.

24      (c) REPORT TO CONGRESS.—Not later than Septem-  
25      ber 1 of each year, the Corporation shall submit a progress



1 report on the scholarship program to the appropriate com-  
 2 mittees of Congress. Such report shall include a review  
 3 of how scholarship funds were expended, including the ini-  
 4 tial academic achievement levels of students who have par-  
 5 ticipated in the scholarship program.

6 (d) AUTHORIZATION.—There are authorized to be ap-  
 7 propriated for the study described in subsection (a),  
 8 \$250,000, which shall remain available until expended.

9 **SEC. 12. JUDICIAL REVIEW.**

10 (a) JURISDICTION.—

11 (1) IN GENERAL.—The United States District  
 12 Court for the District of Columbia shall have juris-  
 13 diction in any action challenging the constitutional-  
 14 ity of the scholarship program under this Act and  
 15 shall provide expedited review.

16 (2) STANDING.—The parent of any student eli-  
 17 gible to receive a scholarship under this Act shall  
 18 have standing in an action challenging the constitu-  
 19 tionality of the scholarship program under this Act.

20 (b) APPEAL TO SUPREME COURT.—Notwithstanding  
 21 any other provision of law, any order of the United States  
 22 District Court for the District of Columbia which is issued  
 23 pursuant to an action brought under subsection (a) shall  
 24 be reviewable by appeal directly to the Supreme Court of  
 25 the United States.

1 SEC. 13. APPROPRIATION OF INITIAL FEDERAL CONTRIBU-  
2 TION TO FUND.

3           There are hereby appropriated, out of any money in  
4 the Treasury not otherwise appropriated, \$7,000,000 for  
5 the District of Columbia Scholarship Fund.

**6 SEC. 14. EFFECTIVE DATE.**

7        This Act shall be effective for each of the fiscal years  
8 1998 through 2002.

Passed the Senate November 9, 1997.

Attest: GARY SISCO,

*Secretary.*

105<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

**S. 1502**

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**AN ACT**

Entitled the “District of Columbia Student  
Opportunity Scholarship Act of 1997” .